

Appendix A

The Commodity Holds and Recall Team (CHART) was charged with re-inventing the process for handling food safety recalls of USDA commodities. Our objectives in this process were to:

- Provide accurate and timely communication to customers;
- Ensure unsafe product is removed from the system in an effective and efficient manner; and
- Make, communicate, and complete reimbursement decisions to recipient agencies in a timely and efficient manner.

Holds and recalls for **food quality** (contract specifications) are handled on a case-by-case basis. Much of the functionality of this food recall process will also apply.

The process described below is our team's best effort at improving the recall process. You will note that we have instituted specific, and often tight, time frames to perform various functions within the process. Our intent is to keep the pressure on everyone throughout the process in an effort to quickly resolve the situation. The process is designed to address most of the food safety issues that arise. Every recall is unique and deviations to this process may be necessary.

The major changes in this proposal include:

- The Department of Agriculture's (USDA) Food Safety and Inspection Service (FSIS) is responsible for communicating all safety decisions to the Food and Nutrition Service (FNS);
- Streamlined communication and scripts;
- Clear timelines and action dates are put in place;
- Food is removed from recipient agencies ASAP;
- The capability to destroy some product on-site;
- Reimbursement is de-coupled from liability; and
- Concise guidelines on reimbursement and expedited payment system.

As a result we believe this new system, if approved, will ensure:

- Much faster and better communication to recipient agencies;
- That unsafe product is removed from recipient agencies within 30 days and from State control within 60 days;
- Storage and handling costs are contained;
- The entire process is significantly streamlined; and
- Recipient agencies will be reimbursed for storage and transportation costs within 30 days of recall.

The following acronyms are used within the timeline:

AMS = Agricultural Marketing Service (USDA)
DA's = State distributing agencies
EFT = Electronic funds transfer
FDA = Food and Drug Administration
FDD = Food Distribution Division

FORCG = Foodborne Outbreak Response and Coordination Group
FNS = Food and Nutrition Service (USDA)
FSIS = Food Safety and Inspection Service (USDA)
RA's = Recipient agencies
RO's = FNS Regional Offices

Timeline*	Decisions/Notification**			Product Disposition			Reimbursement***
-10 to 0 Days	<ul style="list-style-type: none"> Complaint received through hotline, illness, lab results, vendor identification or other method OPHS contacts FDD FDD contacts AMS/FSA and starts database FSIS/FDA begins investigation and testing FSIS/FDA and FDD begin working on a script 			<ul style="list-style-type: none"> AMS/FSA pre-alerts vendor FDD and AMS/FSA identify what contracts and deliveries are affected FSIS/FDA makes decision whether to place product on hold in consultation with FDD/AMS/FSA 			
	Safe	Unsafe (Recall)	Unknown (Remove)	Safe	Unsafe (Recall)	Unknown (Remove)	

Timeline*	Decisions/Notification**			Product Disposition			Reimbursement***
0 to 10 Days	<p>FDD informs AMS/FSA of decision.</p> <p>If product was put on hold, FDD issues a script and a notice informing all RO's, affected DA's and RA's that the product is safe and may be consumed.</p> <p>No further action is taken. File closed.</p>	<p>FDD issues recall notice, script and instructions to all RO's, affected State DA's and the Contracting Officer.</p> <p>State DA notifies recipient agencies by end of next business day.</p>	<p>FDD issues remove notice, script and instructions to all RO's, affected State DA's and the Contracting Officer.</p> <p>Continue Testing Until Decision is Made:</p> <p><u>Safe:</u> FDD issues a script and re-distribution notice</p> <p><u>Unsafe:</u> Recall continues</p>	<p>If product has been removed to the DA, the State will decide how to redistribute, the product will not be replaced</p>	<p>DA instructs the RA's to immediately consolidate & return the product to State control.</p> <p>Contracting Officer issues a formal rejection notice to vendor and begins disposition discussion.</p> <p>On-site disposal may be an option with proper oversight, documentation and FSIS/FDA approval.</p>	<p>State DA instructs the RA's to immediately consolidate & return the product to State control.</p> <p>Continue Testing Until Decision is Made:</p> <p><u>Safe:</u> FDD issues a script and re-distribution notice</p> <p><u>Unsafe:</u> Recall continues</p>	<p>State DA instructs RA's to begin documentation of storage and transportation costs.</p> <p>RA's submit documented counts and costs to the State DA within 7 calendar days to receive reimbursement within 30 calendar days. RA's that submit information after 7 days will be paid at close-out.</p> <p>States DA's submit consolidated product count, location and cost estimates to FDD within 10 calendar days.</p>

Timeline*	Decisions/Notification**			Product Disposition			Reimbursement***
	Safe	Unsafe (Recall)	Unknown (Remove)	Safe	Unsafe (Recall)	Unknown (Remove)	
10 to 30 Days					Product consolidated at State DA. Continue Testing Until Decision is Made: <u>Safe</u> FDD issues a script and re-distribution notice <u>Unsafe</u> Recall continues	Product consolidated at State DA. Continue Testing Until Decision is Made: <u>Safe</u> FDD issues a script and re-distribution notice <u>Unsafe</u> Recall continues	FDD nationally consolidates the reimbursement requests, advising AMS of the total funds needed. RA's are reimbursed for costs reported to State DA within the required time frame.
30 to 60 Days					Vendor picks up product at the State DA. On-site disposal at State DA may be an option with proper oversight, documentation and FSIS/FDA approval.	Continue Testing Until Decision is Made: <u>Safe</u> FDD issues a script and re-distribution notice <u>Unsafe</u> Recall continues	

Timeline*	Decisions/Notification**			Product Disposition			Reimbursement***
	Safe	Unsafe (Recall)	Unknown (Remove)	Safe	Unsafe (Recall)	Unknown (Remove)	
60 Days					USDA takes control of product that has not been picked up by vendor and salvages, destroys or stores in a commercial warehouse at the vendor's expense within 15 calendar days.	Product removed from State control. Default option is to store in a commercial warehouse until safety is determined If the product is safe, USDA pays for costs. If the product is unsafe, vendor pays for costs.	FDD/AMS/FSA make decision regarding replacement of product or entitlement credit. FDD issues notice to recipients with details of replacement or credit. AMS/FSA continues determination of liability with vendor.
90 Days							Recall process completed. Final disbursements made.
90+ Days	Post-incident review.						

Notes

*** Timeline**

1. Timeline begins immediately when the question of food safety is first identified (termed day – 10)
2. Day zero (0) is a flexible date that begins when the product safety is determined or at the end of the 10th day from initial issue identification (day –10), whichever is sooner

**** Notification**

1. Product may be put on hold at any time but the hold cannot extend beyond 10 days from day –10.
2. Product can be recalled or released at any time (day 0).
3. OPHS has the flexibility to shift dates based on scientific (test) requirements.
4. Issue may be referred to FERRT or FORCG for resolution at any time.
5. A review of the response/resolution database will be reviewed by management quarterly.

***** Reimbursement**

1. Recall and removal are treated the same.
2. State and local agencies must be reimbursed for approved transportation and storage costs at the time product is recalled or withdrawn.
3. Only transportation, storage, handling and destruction costs will be reimbursed.

4. Transportation and storage costs will be based on a predetermined, regionalized basis.